

REMARKS/ARGUMENTS

Favorable reconsideration of this application, as presently amended and in light of the following discussion, is respectfully requested.

Claims 1-5, 9, 10, 16, 24-29, 35, 43-48, 54, 62 and 63 are pending in the present application. Claims 1, 4, 24, 24, 28 and 43 have been amended. Claims 62 and 63 have been added without the introduction of new matter.

In the outstanding Office Action, Claims 1-5, 9, 10, 16, 24-29, 35, 43-48 and 54 were rejected under 35 U.S.C. § 112, second paragraph; Claims 1-5, 9, 10, 16, 24-29, 35, 43-48 and 54 were rejected under 35 U.S.C. § 103 as unpatentable over Linden ("Money Matters," Macword volume 10, number 6, pp. 119-125, June 1993) in view of "Tax Freedom Day" (April 12, 1993, herein "Tax Freedom").

Regarding the rejection to Claims 1-5, 9, 10, 16, 24-29, 35, 43-48 and 54 under 35 U.S.C. § 112, the claims are modified in light of the comments noted in the outstanding Office Action. In particular, independent claim 1 has been amended to replace "determining a budget amount" with "specifying a budget amount." Independent claim 1 has also been amended to replace a "method for managing an account using a reverse budget" with a "method for maintaining an account using a reverse budget." Independent claim 1 has further been amended to replace "determining a cost associated with each of the plurality of expenditures, wherein the cost represents an amount of work required for a user to pay for the expenditure" with a "calculating a cost associated with each of the plurality of expenditures, wherein the cost represents a total number of hours a user must spend working at the user's pay rate to pay for the expenditure." Independent Claims 24 and 43 have been similarly amended.

Regarding the rejection of Claim 5 under 35 U.S.C. § 112, Applicant respectfully disagrees that "total budget amount" is vague or unclear. Claim 5 depends from Claim 2 which depends from independent Claim 1. Independent Claim 1 includes the limitation "calculating a

budget amount for each of the plurality of categories.” Thus, there exist a plurality of budget amounts because a separate budget amount is calculated for each of the categories. Claim 5 includes the additional limitation “summing the plurality of budget amounts to create a total budget amount.” The “total budget amount” is thus the result of the summation of each of the separate budget amounts. Applicant is unaware of any restriction against dependent Claim 5 depending from Claim 2 which depends from independent Claim 1 even where dependent Claim 2 contains unrelated limitations.

Accordingly, for the above reasons it is respectfully requested this rejection be withdrawn.

Claims 1-5, 9, 10, 16, 24-29, 35, 43-48 and 54 were rejected under 35 U.S.C. § 103 as unpatentable over Linden in view of Tax Freedom. That rejection is respectfully traversed.

Amended independent Claim 1 is directed to a method for maintaining an account over a plurality of periods using a reverse budget. The account includes an available account balance derived from one or more revenue sources and a plurality of expenditures. The method includes adding an income amount from the one or more revenue sources to the account balance, grouping each of the plurality of expenditures into one of a plurality of categories, specifying a budget amount for each of the plurality of categories, calculating a remaining balance for each of the plurality of categories, calculating a cost associated with each of the plurality of expenditures, outputting the account balance, the cost and the plurality of remaining balances to the user, and revising at least one selected from the group consisting of the budget amount of at least one of the plurality of categories and one or more of the plurality of expenditures of at least one of the plurality of categories based on the account balance, the cost, and the plurality of remaining balances. Each expenditure is grouped into one of the plurality of categories based on a type of the expenditure. The budget amount represents an amount that the sum of the expenditures in the respective category should not exceed during any one of the plurality of periods. Each remaining balance is calculated by adding the budget amount in the respective category at the beginning of each of the plurality of periods and then subtracting a sum of the

expenditures in the respective category during the respective period. The cost represents a total number of hours a user must spend working at the user's pay rate to pay for the expenditure during the respective period.

Amended independent claims 24 and 43 include similar limitations.

In a non-limiting example, Figure 1 illustrates a worksheet 10 used for displaying information necessary for determining one's financial situation and for budgeting finances. The worksheet 10 includes one or more expenditures 18 which represent the estimated or actual budgeted expenses for a category used in financial and budgeting considerations. The expenditure amount may be initially calculated, for instance, by averaging several prior months of the expenditure for a particular category 20. Column 32 represents the amount of time spent by the individual working to pay for the particular expenditure 18 associated with a category 20. According to one possible embodiment, the H2O ("Hours to Obtain") column represents the total number of hours the individual must spend working at the user's pay rate to pay for the specific expenditure 18 associated with a particular category 20 (see also pp. 12-16). Therefore, each expenditure 18 is associated with a category 20 has a cost ("maximizable cost 40") (an entry in column 32). The cost ("maximizable cost 40") allows the individual to visualize and rationalize the number of hours the individual spends to pay for a particular expenditure 18 relative to the expenditure 18. The individual can therefore determine and weigh the advantages of a particular expenditure 18 and its benefit to the individual relative to other expenditures 18 in the individual's budget. The individual can also see the effect of the expenditure 18 relative to the full depiction of the budget. Thereby, an individual may be motivated to revise one or more of the expenditures 18 (*i.e.*, eliminate or reduce one or more of the expenditures) (see also pp. 15-16).

Column 44 represents a remaining balance ("cumulative cost") for each category 20. The remaining balance ("cumulative cost") accrues over multiple periods for each category. The remaining balance ("cumulative cost") is calculated by adding the budget amount at the beginning of a period to the remaining balance from the previous period and then subtracting the

amount actually paid for the expenditure during the period (see p. 17). Thus, the accrued unspent amounts do not become part of a monthly windfall and instead continue to accrue for the category 20 into the next period. Thus, an individual is motivated to either spend that amount for that particular category 20, or to reduce or increase the budget amount. This ensures that an individual who has budgeted an amount for a particular category 20 will have the resources available for that category 20 while removing the temptation to spend any windfalls or savings on another category 20 (see p. 20). Thereby, an individual may be motivated to revise the budget amount (*i.e.*, lower or increase the budget amount) to more honestly reflect his/her financial situation.

Linden does not teach or suggest calculating a remaining balance for each of the plurality of categories where each remaining balance is calculated by adding the budget amount in the respective category at the beginning of each of the plurality of periods and then subtracting a sum of the expenditures in the respective category during the respective period. Applicant submits that maintaining remaining balances that accrue separately for each category of expenditures provides a more honest representation and utilization of the individual's financial situation. This ensures that an individual who has budgeted an amount for a particular category will not only have the resources available for that category, but also removes the temptation to spend any windfalls or savings on another category. Thereby, an honest budget amount must be maintained and an individual is motivated to either spend that amount for that particular category, or to reduce or increase the budget amount. Linden also does not teach or suggest revising at least one selected from the group consisting of the budget amount of at least one of the plurality of categories and one or more of the plurality of expenditures of at least one of the plurality of categories based on the account balance, the cost, and the plurality of remaining balances. If fact, Linden is completely silent regarding such revision.

Tax Freedom discloses that the Tax Foundation provides "a breakdown of the average American's work day into the number of hours and minutes devoted to taxes, clothing, medical care and other categories of expenditure." Abstract. Tax Freedom does not disclose calculating a cost associated with each of the plurality of expenditures in which the cost represents a total

number of hours a user must spend working *at the user's pay rate* to pay for the expenditure. Unlike the present invention whose cost is based on an individual's actual pay rate, Tax Freedom merely discloses that a breakdown of an "average American's work day." Abstract. Applicant submits that due to widely varying pay rates and the imprecision of providing an average for all Americans instead the user's actual pay rate, merely providing an average would not allow a user to accurately maintain his/her account and especially the budget amount for a particular category. Tax Freedom further does not teach or suggest the deficiencies noted in Linden above.

As stated in M.P.E.P. §2143, a basic requirement for a *prima facie* case of obviousness is that the prior art reference (or references when combined) must teach or suggest all the claim limitations. As the cited references do not teach or suggest the features of (i) calculating a remaining balance for each of the plurality of categories where each remaining balance is calculated by adding the budget amount in the respective category at the beginning of each of the plurality of periods and then subtracting a sum of the expenditures in the respective category during the respective period, (ii) revising at least one selected from the group consisting of the budget amount of at least one of the plurality of categories and one or more of the plurality of expenditures of at least one of the plurality of categories based on the account balance, the cost, and the plurality of remaining balances, or (iii) calculating a cost associated with each of the plurality of expenditures in which the cost represents a total number of hours a user must spend working at the user's pay rate to pay for the expenditure, it is respectfully submitted the outstanding Office Action has not created a *prima facie* case of obviousness with regard to independent Claims 1, 24, and 43, and the claims dependent therefrom.

Accordingly, it is respectfully requested this rejection be withdrawn.

Additionally, Applicant submits that new Claims 62 and 63 are allowable because the applied art does not teach or suggest eliminating or reducing one or more of the plurality of expenditures of the plurality of categories, or reducing or increasing the budget amount of the plurality of categories.

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Reply to Office Action of June 21, 2007

Attorney Docket No. 130149-1000

CONCLUSION

In light of the arguments set forth above, Applicant respectfully submits that the Application is now in allowable form. Accordingly, Applicant respectfully request consideration and allowance of the currently pending claims.

The Commissioner is hereby authorized to charge the fee for a one month extension in the amount of \$60 along with the fee for a Request for Continued Examination in the amount of \$405 as well as any other fees or overpayments, other than issue fees, that may be required by this paper to Deposit Account No. 07-0153. The Examiner is respectfully requested to call Applicant's Attorney for any reason that would advance the current application to issue. Please reference Attorney Docket No. 130149-1000.

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